

Message Text

CONFIDENTIAL

PAGE 01 EC BRU 09519 222223Z

66

ACTION EUR-12

INFO OCT-01 NEA-10 IO-10 ISO-00 AID-05 EB-07 TRSE-00 AGR-05

ORM-01 DHA-02 ABF-01 OMB-01 L-03 CIAE-00 INR-07

NSAE-00 /065 W

----- 091108

R 221735Z OCT 75

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 9807

INFO AMEMBASSY AMMAN

AMEMBASSY ABU DHABI

AMEMBASSY BEIRUT

AMEMBASSY CAIRO

AMEMBASSY DAMASCUS

AMEMBASSY JIDDA

AMEMBASSY LONDON

AMEMBASSY MUSCAT

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY TEL AVIV

USMISSION USUN NEW YORK

C O N F I D E N T I A L EC BRUSSELS 09519

E.O. 11652: GDS

TAGS: SREF, UNRWA, JO, US, XF, EEC

SUBJECT: UNRWA FINANCES

REFS: (A) STATE 248246 (B) AMMAN 7145 (C) AMMAN 6946

1. SUMMARY: WE HAVE MADE LOW-KEY REPRESENTATIONS TO EC COMMISSION OFFICIALS INFORMING THEM THAT WE SHARE JORDAN'S ASSESSMENT OF UNRWA'S DESPERATE FINANCIAL STRAITS AND SUPPORT THE JORDANIAN APPEAL TO THE EC AND ITS MEMBER STATES FOR ADDITIONAL ASSISTANCE. THE COMMISSION WAS IMPRESSED BY THE RECENT JORDANIAN DEMARCHE. IT IS ASKING THE MEMBER STATES FOR 3500 TONS OF FLOUR FOR UNRWA, BUT CANNOT PROVIDE EMERGENCY CASH AT THIS TIME. HOWEVER, NEGOTIATIONS ARE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 EC BRU 09519 222223Z

NEARING CONCLUSION ON EXTENSION OF THE EC/UNRWA FOOD

AID AGREEMENT WHICH, WE ARE TOLD, WOULD RELEASE \$1 MILLION IN CASH FOR PURCHASES RELATED TO THE FOOD AID PROGRAM. END SUMMARY.

2. IN RESPONSE TO REFTTEL A, WE HAVE SPOKEN WITH OFFICIALS IN DEVELOPMENT COMMISSIONER CHEYSSON'S CABINET AND IN THE COMMISSION'S DIRECTORATE GENERAL FOR DEVELOPMENT INFORMING THEM THAT THE USG SHARES JORDAN'S ASSESSMENT OF UNRWA'S DIFFICULTIES AND SUPPORTS THE JORDANIAN APPEAL TO THEC AND ITS MEMBER STATES FOR ADDITIONAL ASSISTANCE.

3. JORDANIAN DEMARCHE: OUR CONTACTS DESCRIBED THE RECENT JORDANIAN DEMARCHE AS FOLLOWS: JORDANIAN AMBASSADOR TO THE EC DAJANI TOLD CHEYSSON THAT THE SITUATION IS "CATASTROPHIC", MORE SO THAN MANY REALIZE, AND THAT EVEN AFTER THE RECENT \$10 MILLION SAUDI ARABIAN CONTRIBUTION THINGS ARE STILL VERY PRECARIOUS. DAJANI REPORTEDLY SAID THAT THERE HAD BEEN VAGUE REPLIES TO UNRWA PLEAS FROM KUWAIT AND THE UAE, AND FIRM DECLARATIONS OF SUPPORT FROM THE SYRIANS, THE ARAB LEAGUE AND EVEN THE PLO, THOUGH OUR CONTACTS COULD NOT CONFIRM THE ACCURACY OF DAJANI'S INFORMATION. NEVERTHELESS, THINGS ARE VERY BAD AND DAJANI SAID STAFF LAYOFFS COULD BE NECESSARY BY NOVEMBER.

4. EC CONTRIBUTION: COMMISSIONER CHEYSSON WAS REPORTEDLY IMPRESSED BY DAJANI'S CASE, BUT SAID THE COMMUNITY COULD NOT REPEAT NOT PROVIDE ANY SPECIAL EMERGENCY CASH. THE \$7-8 MILLION SPECIAL CONTRIBUTION OF MID-1974 WAS A ONE-TIME EFFORT AND COULD NOT BE REPEATED THIS YEAR. CHEYSSON DID SAY HE WOULD PROPOSE TO THE MEMBER STATES THAT THE EC GRANT 3500 TONS OF FLOUR TO HELP UNRWA THROUGH THE CRISIS. SUCH ASSISTANCE, TOGETHER WITH TRANSPORTATION COSTS WOULD REPRESENT APPROXIMATELY \$800,000 WORTH OF AID. OUR CONTACTS SAY THAT THE PROPOSAL IS TO BE CONSIDERED BY THE COMMITTEE OF PERMANENT REPRESENTATIVE S(COREPER) TOMORROW, OCT. 23. THERE IS A GOOD CHANCE OF APPROVAL AS THE 3500 TONS WOULD "NOT COST ANYTHING", BEING DRAWN FROM THE RESERVE PORTION OF THE EC'S 1974/75 FOOD AID PROGRAM. CONFIDENTIAL

CONFIDENTIAL

PAGE 03 EC BRU 09519 222223Z

5. CHEYSSON HAS UNDERTAKEN TO BRING UNRWA'S PROBLEM TO THE ATTENTION OF THE COMMUNITY IN ORDER TO TRY TO COME UP WITH ADDITIONAL MEMBER STATE CONTRIBUTIONS. IN THIS CONNECTION, COMMISSION OFFICIALS WERE ESPECIALLY PLEASED WITH OUR EXPRESSION OF THE US POSITION AND SEE IT AS SUPPORTIVE OF THEIR EFFORTS TO PERSUADE THE MEMBER STATES TO SUPPLEMENT THE COMMUNITY'S EFFORT WITH

SOME BILATERAL ACTION.

6. THERE IS ANOTHER IMPORTANT ASPECT OF THE COMMUNITY'S RELATIONS WITH UNRWA NOT TOUCHED ON IN THE REFTELS. THE EC/UNRWA 3-YEAR FOOD AID CONVENTION EXPIRED IN JUNE OF THIS YEAR. NEOGITATIONS ARE NEARING CONCLUSION FOR ITS EXTENSION FOR A SIMILAR PERIOD. OUR MISSION CONTACT IN THE EC'S FOOD AID DIVISION, WHO IS HANDLING EC/UNRWA MATTERS, INDICATES, ON A CONFIDENTIAL BASIS, THAT SHOULD THINGS CONTINUE TO PROGRESS WELL AGREEMENT ON EXTENSION IS ONLY A "FEW WEEKS AWAY". THIS WOULD RELEASE ABOUT \$1 MILLION, ACCORDING TO OUR CONTACT, IN CASH FUNDS WHICH THE EC WOULD PROVIDE FOR THE PRUCHASE OF ITEMS RELATED TO THE SUPPLEMENTARY FEEDING PROGRAM IT SUPPORTS UNDER THE EC/UNRWA FOOD AID ARRANGEMENT.

7. THUS THE STATUS OF THE EC'S ACTUAL AND POTENTIAL CONTRIBUTIONS CENTER AROUND A) FAVORABLE CONSIDERATION BY THE MEMBER STATES OF CHEYSSON'S PROPOSED ADDITIONAL 3500 TONS OF FLOUR, B) SUCCESS IN CHEYSSON'S EFFORTS TO PERSUADE MEMBER STATES TO COME FORWARD BILATERALLY, AND C) RAPID CONCLUSION OF NEGOTIATIONS BETWEEN UNRWA AND THE COMMISSION ON TERMS FOR THE EXTENSION OF EC/UNRWA FOOD AID ARRANGEMENTS. MORRIS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REFUGEES, FINANCIAL CONTRIBUTIONS, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 22 OCT 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975ECBRU09519
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750367-0994
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19751030/aaaabaea.tel
Line Count: 139
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 STATE 248246, 75 AMMAN 7145, 75 AMMAN 6946
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 28 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 APR 2003 by BoyleJA>; APPROVED <07 OCT 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UNRWA FINANCES
TAGS: SREF, JO, US, XF, UNRWA, EEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006